

## UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY WASHINGTON, D.C.

Issued by the Department of Transportation on the 19<sup>th</sup> day of November, 2003

In the matter of the revocation of the interstate scheduled air transportation certificate issued under 49 U.S.C. 41102 to

NATIONAL AIRLINES, INC.

Docket OST-98-4538

Served: November 24, 2003

pursuant to the provisions of section 204.7 of the Department's Aviation Regulations

## ORDER REVOKING CERTIFICATE

National Airlines, Inc. (National), a Delaware Corporation, holds a certificate authorizing it to engage in interstate scheduled air transportation of persons, property, and mail.<sup>1</sup> National operated under its certificate until November 6, 2002, at which time, the carrier ceased all air transportation operations.<sup>2</sup>

Section 204.7 of the Department's Aviation Regulations (14 CFR 204.7) provides that, if a carrier ceases the air transportation operations for which it was found fit, it may not resume nor advertise such services until its fitness to do so has been re-determined by the Department. Section 204.7 further provides that, if a carrier does not have its fitness re-determined and resume operations within one year of the date of its cessation, its certificate authority will be revoked for dormancy.

By letters dated November 7, 2002, and August 1, 2003, the Department reminded National of the provisions of section 204.7. Among other things, the letters stated that if National did not have its economic fitness re-determined and resume operations within one year of its cessation, in this case, by November 7, 2003, the Department would revoke its certificate authority at that time for reasons of dormancy.

<sup>&</sup>lt;sup>1</sup> See Order 99-5-11, issued May 25, 1999.

<sup>&</sup>lt;sup>2</sup> National's certificate authority became effective on May 21, 1999. On December 2, 2000, National filed for protection under Chapter 11 of the U.S. Bankruptcy Code. National ceased all scheduled passenger operations on November 6, 2002.

It has now been over a year since National ceased all air transportation operations. To date, the carrier has not filed an application to resume operations, nor do we have any other information that would lead is to conclude that it plans to resume operations any time soon.<sup>3</sup> Under these circumstances, we will revoke, without prejudice, National's certificate for reason of dormancy.

**ACCORDINGLY,** Acting under authority assigned by the Department in its Regulations, 14 CFR 385.12:

- 1. We revoke the interstate scheduled certificate issued to National Airlines, Inc., by Order 99-2-10.
- 2. We will serve a copy of this order on the persons listed in Attachment A.

Persons entitled to petition the Department for review of this order, under 14 CFR 385.30, may file their petitions within 10 days of the service date of this order.

This order shall become effective and become the final action of the Department of Transportation upon expiration of the above period unless within such period a petition for review is filed or the Department gives notice that it will review this order on its own motion.

By:

## RANDALL D. BENNETT

Director Office of Aviation Analysis

An electronic version of this document is available on the World Wide Web at http://dms.dot.gov

<sup>&</sup>lt;sup>3</sup> National's bankruptcy proceeding has been changed from Chapter 11 (reorganization) to Chapter 7 (liquidation).

## SERVICE LIST FOR NATIONAL AIRLINES, INC.

MR MICHAEL J CONWAY PRESIDENT NATIONAL AIRLINES INC 6020 SPENCER STREET LAS VEGAS NV 89119 MR TOM GRIMMETT TRUSTEE FOR NATIONAL AIRLINES INC. 6020 SPENCER STREET LAS VEGAS NV 89119 MR CRAIG D. HANSEN
COUNSEL FOR DEBTOR NATIONAL
AIRLINES INC
SQUIRE SANDERS & DEMPSEY LLP
TWO RENAISSANCE SQUARE
SUITE 2700
40 NORTH CENTRAL AVENUE
PHOENIX AZ 85004-4498

MR JAMES P SHEA SHEA & CARLYON, LTD 233 SOUTH FOURTH STREET SUITE 200 LAS VEGAS NV 89101 MR RONALD P BROWER HOGAN & HARTSON COLUMBIA SQUARE 555 13<sup>TH</sup> STREET NW WASHINGTON DC 20004

THE HONORABLE LINDA B RIEGLE
CASE #00-19258
US BANKRUPTCY COURT FOR THE
DISTRICT OF NEVADA
LD GEORGE FEDERAL BUILSDING
333 LAS VEGAS BLVD SOUTH
LAS VEGAS NV 89101

OFFICE OF THE UNITED STATES TRUSTEE ATTN: BARRY JENKINS 600 LAS VEGAS BLVD SOUTH SUITE 430 LAS VEGAS, NV 89101 MR STEVEN KANE, POI FLIGHT STANDARDS DISTRICT OFFICE FEDERAL AVIATION ADMINISTRATION 7181 AMIGO STREET SUITE 180 LAS VEGAS NV 89119-4354 MR FREDERICK WALKER MANAGER FLIGHT STANDARDS DIVISION AWP-200 FAA WESTERN-PACIFIC REGION HQ PO BOX 92007 LOS ANGELES CA 90009-2007

MR DON BRIGHT
ACTING DIRECTOR
OFFICE OF AIRLINE
INFORMATION K-25
DEPARTMENT OF
TRANSPORTATION
400 7<sup>TH</sup> STREET SW
WASHINGTON DC 20590

MR PETER LYNCH
ASST CHIEF COUNSEL FOR
ENFORCEMENT AGC-300
FEDERAL AVIATION
ADMINISTRATION
800 INDEPENDENCE AVENUE SW
WASHINGTON DC 20591

MR RICHARD DUTTON
ASST MANAGER
CSET AFS-900
FEDERAL AVIATION ADMINISTRATION
45005 AVIATION DRIVE
SUITE 203B
DULLES VA 20166-7537